



Gray Davis, Governor  
State of California  
Business, Transportation and Housing Agency

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July 19, 2002

Dear Plan Administrator:

**RE: UPDATED INFORMATION ON THE FINANCIAL STATEMENT REPORTING FORMS**

The Department of Managed Health Care ("Department") made additional changes to the financial statement reporting forms. In addition, there are some instructions that the plans **MUST** follow for the reporting forms to function properly. Please note that the following information is for financial reporting only. This process is separate from the e-filing/licensing requirements.

The revised reporting forms (Version 2002, Revised 7-19-2002) have been posted to the Department's web site: [www.hmoHELP.ca.gov/hpp/memos](http://www.hmoHELP.ca.gov/hpp/memos). Please ensure that revision 7-19-02 is used for all future financial statement filings. The following changes include:

- Formulas have been added to the TNE Schedules. Also, the POS TNE schedule has been modified. The changes were made to the monthly, quarterly, and annual reporting forms.
- The workbook is locked so sheets cannot be added or deleted. We have added 10 sheets to the workbook that can be modified for your use. The additional sheets can be used in lieu of Excel attachments. Please note that there is a formula in cell A1. Please do not use this cell, as it is not protected.
- The language was changed in the General Interrogatories for questions 3, 4, and 5.
- Reports and Schedules: Changes to fonts, number of characters allowed in a cell, formats (date, number, etc.). The changes were made to the monthly, quarterly, and annual reporting forms.

Please note:

- In order for the "check my work" feature to function properly, there must be an "A" in cell D1 of the cover page. This cell is not protected.
- Enter all amounts in whole dollars ONLY. If amounts include cents, there will be rounding errors and the reports will not balance.
- As of 6/30/02, all health plans are required to file their financial reporting forms electronically.
- Beginning for your 2003 fiscal year, the Statement of Cash Flows (Direct Method) will be required.

We appreciate your feedback. If you have any comments or questions, please email me at [myamanaka@dmhc.ca.gov](mailto:myamanaka@dmhc.ca.gov) or call (916) 322-0391.

Sincerely,

Michelle Yamanaka  
Financial Examiner  
Division of Financial Oversight